Notice of Confidentiality Rights: If you are a natural person, you may remove or strike any of the following information from this instrument before it is filed for record in the public records: your social security number or your driver's license number.

Producers 88 (4/76) Revised Paid Up With 640 Acres Pooling Provision

# OIL, GAS AND MINERAL LEASE (NO SURFACE USE)

THIS AGREEMENT made this \_\_\_\_\_ day of September, 2009, between LA PLAZA APARTMENTS PARTNERSHIP, a New Mexico General Partnership, Lessor (whether one or more), whose address is 300 Central SW, Suite 1500W, Albuquerque, N.M. 87102, and DALE PROPERTY SERVICES, LLC, 2100 Ross Avenue, Suite 1870, LB-9, Dallas, TX 75201, Lessee, WITNESSETH:

1. Lessor in consideration of Ten and No/100-------Dollars (\$10.00), in hand paid, of the royalties herein provided, and of the agreements of Lessee herein contained, hereby grants, leases and lets exclusively unto Lessee for the purpose of investigating, exploring, prospecting, drilling and mining for and producing oil, gas and all other minerals, conducting exploration, geologic and geophysical surveys by seismograph, core test, gravity and magnetic methods, injecting gas, water and other fluids, and air into subsurface strata, laying pipe lines, building roads, tanks, power stations, telephone lines and other structures thereon and on, over and across lands owned or claimed by Lessor adjacent and contiguous thereto, to produce, save, take care of, treat, transport and own said products, and housing its employees, the following described land in Tarrant County, Texas, to-wit:

.0729 acres, more or less, being Site No. 4 of the Western Hills Park Addition, also known as Lot 4A 1B Western Hills Park Addition to the City of White Settlement, Tarrant County, Texas, according to the Plat recorded in Volume 388-44, Page 80 of the Plat Records, Tarrant County Texas;

- 2. This is a paid up lease and subject to the other provisions herein contained, this lease shall be for a term of Five (5) years from this date (called "primary term") and as long thereafter as oil, gas or other mineral is produced from said land or land with which said land is pooled hereunder.
- 3. As royalty, lessee covenants and agrees: (a) To deliver to the credit of lessor, in the pipelines to which lessee may connect its wells, the equal one fourth (1/4) part of all oil produced and saved by lessee from said land, or from time to time, at the option of lessee, to pay lessor the average posted market price of such one-fourth (1/4) part of such oil at the wells asof the day it is run to the pipe line or storage tanks, lessor's interest, in either case, to bear one-fourth (1/4) of the cost of treating oil to render it marketable pipeline oil; (b) to pay lessor for gas and casinghead gas produced from said land (I) when sold by lessee one-fourth (4) of the amount realized by lessee, computed at the mouth of the well, or (2) when used by lessee off said land or in the manufacture of gasoline or other products one-fourth (1/4) of the amount realized from the sale of gasoline or other products extracted therefrom and one-fourth (1/4) of the amount realized from the sale of residue gas after deducting theamount used for plant fuel and/or compression; (c) To pay lessor on all other minerals mined and marketed or utilized by lessee from said land, one-tenth either in kind or value at the well or mine at lessee's election, except that on sulphur mined and marketed the royalty shall be one dollar (\$1.00) per long ton. If, at the expiration of the primary term or at any time or times thereafter, there is any well on said land or on lands with which said land or any portion thereof has been pooled, capable of producing oil or gas, and all such wells are shut-in, this lease shall, nevertheless, continue in force as though operations were being conducted on said land for so long as said wells are shut-in, and thereafter this lease may be continued in force as if no shut-in had occurred. Lessee covenants and agrees to use reasonable diligence to produce, utilize, or market the minerals capable of being produced from said wells, but in the exercise of such diligence, lessee shall not be obligated to install or furnish facilities other than well facilities and ordinary lease facilities of flow lines, separator, and lease tank, and shall not be required to settle labor trouble or to market gas upon terms unacceptable to lessee. If, at any time or times after the expiration of the primary term, all such wells are shut-in for a period of ninety consecutive days, and during such time there are no operations on said land, then at or before the expiration of said ninety day period, lessee shall pay or tender, by check or draft of lessee, as royalty, a sum equal to one dollar (\$1.00) for each acre of land then covered hereby. Lessee shall make like payments or tenders at or before the end of each anniversary of the expiration of said ninety day period if upon such anniversary this lease is being continued in force solely by reason of the

provisions of this paragraph. Each such payment or tender shall be made to the parties who at the time of payment would be entitled to receive the royalties which would be paid under this lease if the wells were producing, and may be deposited in the

PAY TO LESSOR AT THE ADDRESS SET FORTH ABOVE or its successors, which shall continue as the depositories, regardless of changes in the ownership of shut-in royalty. If at any time that lessee pays or tenders shut-in royalty, two or more parties are, or claim to be, entitled to receive same, lessee may, in lieu of any other method of payment herein provided, pay or tender shut-in royalty, in the manner above specified, either jointly to such parties or separately to each in accordance with their respective ownerships thereof, as lessee may elect. Any payment hereunder may be made by check or draft of lessee deposited in the mail or delivered to the party entitled to receive payment or to a depository bank provided for above on or before the last date for payment. Nothing herein shall impair lessee's right to release as provided in paragraph 5 hereof. In the event of assignment of this lease in whole or in part, liability for payment hereunder shall rest exclusively on the then owners of this lease, severally as to acreage owned by each.

- 4. Lessee shall have the right but not the obligation to pool all or any part of the leased premises or interest therein with any other lands or interests, as to any or all depths or zones, and as to any or all substances covered by this lease, either before or after the commencement of production, whenever Lessee deems it necessary or proper to do so in order to prudently develop or operate the leased premises, whether or not similar pooling authority exists with respect to such other lands or interests. The unit formed by such pooling for an oil well which is not a horizontal completion shall not exceed 80 acres plus a maximum acreage tolerance of 10%, and for a gas well or a horizontal completion shall not exceed 640 acres plus a maximum acreage tolerance of 10%; provided that a larger unit may be formed for an oil well or gas well or horizontal completion to conform to any well spacing or density pattern that may be prescribed or permitted by any governmental authority having jurisdiction to do so. For the purpose of the foregoing, the terms 'oil well' and 'gas well' shall have the meanings prescribed by applicable law or the appropriate governmental authority, or, if no definition is so prescribed, 'oil well' means a well with an initial gas-oil ratio of less than 100,000 cubic feet per barrel and 'gas well' means a well with an initial gas-oil ratio of 100,000 cubic feet or more perbarrel, based on a 24-hour production test conducted under normal producing conditions using standard lease separator facilities or equivalent testing equipment; and the term 'horizontal completion' means an oil or gas well in which the horizontal component of the gross completion interval in the reservoir exceeds the vertical component thereof. In exercising its pooling rights hereunder, Lessee shall file of record a written declaration describing the unit and stating the effective date of pooling. Production, drilling or reworking operations anywhere on a unit which includes all or any part of the leased premises shall be treated as if it were production, drilling or reworking operations on the leased premises, except that the production on which Lessor's royalty is calculated shall be that proportion of the total unit production which the net acreage covered by this lease and included in the unit bears to the total gross acreage in the unit, but only to the extent such proportion of unit production is sold by Lessee. Pooling in one or more instances shall not exhaust Lessees pooling rights hereunder. Any unit so formed may be amended, increased in size, decreased in size, or changed in configuration, at the election of Lessee, at any time and from time to time, and Lessee may vacate and dissolve any unit by instrument in writing filed for record in said county at any time when there is no unitized substance being produced from such unit. To the extent any portion of the leased premises is included in or excluded from the unit by virtue of such revision, the proportion of unit production on which royalties are payable hereunder shall thereafter be adjusted accordingly. In the absence of production in paying quantities from a unit, or upon permanent cessation thereof, Lessee may terminate the unit by filing of record a written declaration describing the unit and stating the date of termination. Pooling hereunder shall not constitute a cross-conveyance of interests.
- 5. If at the expiration of the primary term, oil, gas, or other mineralis not being produced on said land, or from the land pooled therewith, but Lessee is then engaged in drilling or reworking operations thereon, or shall have completed a dry hole thereon within 60 days prior to the end of the primary term, the lease shall remain in force so long as operations on said well or for drilling or reworking of any additional well are prosecuted with no cessation of more than 60 consecutive days, and if they result in the production of oil, gas or other mineral, so long thereafter as oil, gas, or other mineral is produced from said land, or from land pooled therewith. If, after the expiration of the primary term of this lease and after oil, gas, or other mineral is produced from said land, or from land pooled therewith, the production thereof should cease from any cause, this lease shall not terminate if Lessee commences operations for drilling or reworking within 60 days after the cessation of such production, but shall remain in force and effect so long as such operations are prosecuted with no cessation of more than 60 consecutive days, and if they result in the production of oil, gas, or other mineral, so long thereafter as oil, gas, or other mineral is produced from said land, or from land pooled therewith. Any pooled unit designated by Lessee in accordance with the terms hereof, may be dissolved by Lessee by instrument filed for record in the appropriate records of the county in which the leased premises are situated at any time after the completion of a dry hole or the cessation of production on said unit. In the event a well or wells producing oil or gas in paying quantities should be brought in on adjacent land and within 330 feet of and draining the leased premises, or land pooled therewith, Lessee agrees to drill such offset well or wells as a reasonably prudent operator would drill under the same or similar circumstances. Lessee may at any time execute and deliver to Lessor or place of record a release or releases covering any portion

or portions of the above described premises and thereby surrender this lease as to such portion or portions and be relieved of all obligations as to the acreage surrendered.

- 6. Lessee shall have the right at any time during or after the expiration of this lease to remove all property and fixtures placed by Lessee on said land, including the right to draw and remove all casing. When required by Lessor, Lessee will bury all pipe lines below ordinary plow depth, and no well shall be drilled within two hundred (200) feet of any residence or barn now on said land without Lessor's consent.
- 7. The rights of either party hereunder may be assigned in whole or in part, and the provisions hereof shall extend to their heirs, successors and assigns; but no change or division in ownership of the land, or royalties, however accomplished, shall operate to enlarge the obligations or diminish the rights of Lessee; and no change or division in such ownership shall be binding on Lessee until thirty (30) days after Lessee shall have been furnished by registered U.S. mail at Lessee's principal place of business with a certified copy of recorded instrument or instruments evidencing same. In the event of assignment hereof in whole or in part, liability for breach of any obligation hereunder shall rest exclusively upon the owner of this lease or of a portion thereof who commits such breach. If six or more parties become entitled to royalty hereunder, Lessee may withhold payment thereof unless and until furnished with a recordable instrument executed by all such parties designating an agent to receive payment for all.
- 8. The breach by Lessee of any obligation arising hereunder shall not work a forfeiture or termination of this lease nor cause a termination or reversion of the estate created hereby nor be grounds for cancellation hereof in whole or in part. No obligation reasonably to develop the leased premises shall arise during the primary term. Should oil, gas or other mineral in paying quantities be discovered on said premises, then after the expiration of the primary term, Lessee shall develop the acreage retained hereunder as a reasonably prudent operator, but in discharging this obligation it shall in no event be required to drill more than one well per forty (40) acres of the area retained hereunder and capable of producing oil in paying quantities and one well per 640 acres plus an acreage tolerance not to exceed 10% of 640 acres of the area retained hereunder and capable of producing gas or other mineral in paying quantities. If after the expiration of the primary term, Lessor considers that operations are not at any time being conducted in compliance with this lease, Lessor shall notify Lessee in writing of the facts relied upon as constituting a breach hereof, and Lessee, if in default, shall have sixty days after receipt of such notice in which to commence the compliance with the obligations imposed by virtue of this instrument.
- 9. Lessor hereby warrants and agrees to defend the title to said land and agrees that Lessee at its option may discharge any tax, mortgage or other lien upon said land, either in whole or in part, and inevent Lessee does so, it shall be subrogated to such herewith right to enforce same and apply royalties accruing hereunder toward satisfying same. Without impairment of Lessee's rights under the warranty in event of failure of title, it is agreed that if this lease covers a less interest in the oil, gas, sulphur, or other minerals in all or any part of said land than the entire and undivided fee simple estate (whether Lessor's interest is herein specified or not), or no interest therein, then the royalties, and other monies accruing from any part as to which this lease covers less than such full interest, shall be paid only in the proportion which the interest therein, if any, covered by this lease, bears to the whole and undivided fee simple estate therein. All royalty interest covered by this lease (whether or not owned by Lessor) shall be paid out of the royalty herein provided. Should any one or more of the parties named above as Lessors fail to execute this lease, it shall nevertheless be binding upon the party or parties executing the same.
- 10. Should Lessee be prevented from complying with any express or impliedcovenant of this lease, from conducting drilling or reworking operations thereon or from producing any oil, gas or other minerals therefrom by reason of scarcity of or inability to obtain or to use equipment or material, or by operation of force majeure, and Federal or state law or any order, rule or regulation of governmental authority, then while so prevented, Lessee's obligation to comply with such covenant shall be suspended, and Lessee shall not be liable in damages for failure to comply therewith; and this lease shall be extended while and so long as Lessee is prevented by any such cause from conducting drilling or reworking operations on or from producing oil or gas from the lease premises; and the time while Lessee is so prevented shall not be counted against Lessee, anything in this lease to the contrary notwithstanding.
- 11. For the same consideration recited above, Lessor hereby grants, assigns and conveys unto Lessee, its successors and assigns, a perpetual subsurface easement under and through the leased premises for the placement of well bores (along routes selected by Lessee) from oil or gas wells the surface locations of which are situated on other tracts of land and which are not intended to develop the leased premises or lands pooled therewith and from which Lessor shall have no right to royalty or other benefit. Such subsurface easements shall run with the land and survive any termination of this lease.

12. Notwithstanding anything contained herein to the contrary, Lessee does not by virtue of this lease acquire any rights whatsoever to conduct any operations on the surface of the lease premises without first obtaining the prior written consent of Lessor, however, Lessee may recover oil, gas and associated hydrocarbons from the lease premises by directional or horizontal drilling, pooling, unitization or any other method provided in this lease.

#### SEE ADDENDUM ATTACHED.

IN WITNESS WHEREOF, this instrument is executed on the date first above written.

La Plaza Apartments Partnership, a New Mexico General Partnership

By: JANE F. KLECAN, General Partner

By: JANET SANTILLANES, General Partner

#### **ACKNOWLEDGMENTS**

STATE OF NEW MEXICO

COUNTY OF BERNALILLO

This instrument was acknowledged before me on the  $\frac{1}{1}$  day of September, 2009, by JANE F. KLECAN, General Partner.

OFFICIAL SEAL
MARANDA ROBINSON
Notary Public
State of New Mexico
My Comm. Expires 2 2012

Notary public, State of New Mexico

Notary's name (printed): Maranda Robinson

Notary's commission expires: Alachia

### **ACKNOWLEDGMENTS**

STATE OF NEW MEXICO

**COUNTY OF BERNALILLO** 

This instrument was acknowledged before me on the  $\frac{1}{1}$  day of September, 2009, by JANET SANTILLANES, General Partner.



Notary public, State of New Mexico

Notary's name (printed): Maranda Robenson

Notary's commission expires: 2 20 (2

### Exhibit "A" ADDENDUM

to Oil and Gas Lease dated \_\_\_\_\_\_\_\_, 2009, between La Plaza Apartments Partnership, a New Mexico General Partnership, as Lessor, and Dale Property Services, L.L.C., as Lessee

Notwithstanding anything contained in the printed portion of this lease to the contrary, the provisions of paragraphs 1 through 18, inclusive, contained in this addendum shall control in the event of conflict with the printed portion of this lease.

- 1. Only Oil and Gas. This lease covers only oil, gas and minerals produced in association with oil and gas, and Lessor excepts from this lease and reserves all other minerals of every kind and character in, on and under the leased premises, together with the right to use such land for the purposes of investigating, exploring, producing, saving, owning and disposing of said other minerals.
- 2. Gas Royalty. Royalty reserved hereto to Lessor will be paid on the total Btu (British thermal unit) content of the gas allocable to the Lessor's interest in the leased premises. The gas produced from the leased premises or from any well on any premises with which the leased premises may be pooled or unitized shall be volumetrically metered prior to commingling with any other gas, and the Btu content of the metered gas shall be determined prior to the extraction of any liquefiable hydrocarbons except those that may be extracted with conventional field separation facilities. Royalty reserved hereto to Lessor will then be paid on the total Btu's allocable to the Lessor's interest in the leased premises. Lessor shall at any time have the right to take Lessor's royalty gas in kind and, in that event, the preceding provisions of this paragraph 2 & shall not apply and Lessor shall pay all reasonable expenses attributable to Lessor's taking of such royalty gas in kind.
  - 3. <u>Royalty on Liquids</u>. Lessor shall be entitled to Lessor's fractional royalty share of all condensate, distillate and natural gasoline and all other liquefiable hydrocarbons extracted by or for Lessee from gas produced from the leased premises, by any method.
  - 4. <u>Due Dates of Royalty</u>. All royalties that may become due hereunder shall commence to be paid on each well within one hundred twenty (120) days following the month during which any well is completed and commences production, and thereafter all royalties shall be paid to Lessor on or before the last day of the second month following the month of production. Royalties not paid when due shall bear interest at the maximum rate permitted by law from their due date until paid. If royalty is not paid by such due date, Lessor may give Lessee written notice of nonpayment of royalty, and if Lessor's royalty is not paid on or before expiration of sixty (60) days from Lessee's receipt of such notice, Lessor may terminate this lease and evict Lessee forthwith. However, if there is a bona fide dispute or a good faith question, based on an attorney's written opinion, of royalty entitlement, Lessee may pay Lessor's royalty to a trustee to be selected by both parties, to be retained by trustee and invested in interest bearing accounts pending resolution of the entitlement issue, with the interest to belong to the

rightful royalty owner. If the parties do not or cannot agree on a trustee, lessee may tender the royalty into a court of competent jurisdiction by Bill of Interpleader, to be so held and invested by the clerk under the direction of the court. If the royalty is so paid to such trustee or to the court within the time provided, then Lessor shall not have the right to terminate this lease for nonpayment of royalty.

- 5. Royalty Free of Expenses. Lessor's royalty will never bear, either directly or indirectly, any part of the costs or expenses of pre- and post-production, production, separation, gathering, dehydration, compression, transportation, trucking, processing, treatment, storage, or marketing of the oil or gas produced from the leased premises incurred prior to the sale of such oil and gas to the first non-affiliate of Lessee, or any part of the incurred costs of construction, operation, or depreciation of any plant or other facilities or equipment used in the handling of oil or gas from the leased premises. It is the intent of the parties that the foregoing provisions of this paragraph are to be fully effective and enforceable and are not to be construed as "surplusage" under the principals set forth in *Heritage Resources v. Nations Bank*, 939 S.W.2d 118 (Tex. 1996). Notwithstanding anything to the contrary, Lessor's royalty will bear its pro-rata share of transportation charges for downstream transportation, provided the charges are made by a company which is not an affiliate of, or related party to, Lessee, and provided they do not exceed an amount reasonably commensurate with charges by non-affiliated entities to unrelated operators in the area of the leased premises.
- 6. <u>No Warranty of Title</u>. Lessor makes no warranty of title to the leased premises, and this lease is made without warranty, express or implied.
- 7. <u>Indemnity</u>. Lessee agrees to indemnify and hold harmless Lessor and Lessor's heirs, successors, representatives, agents and assigns, from and against any and all claims, demands and causes of action for injury (including death) or damage to persons or property arising out of, incidental to or resulting from the operations of or for Lessee or Lessee's servants, agents, employees, guests, licenses, invitees or independent contractors, and from and against all costs and expenses incurred by Lessor by reason of any such claim or claims, including reasonable attorneys' fees; and each assignee of this lease, or an interest therein, agrees to indemnify and hold harmless Lessor in the same manner provided above. Such indemnity shall apply to any claim arising out of operations conducted under or pursuant to this lease, howsoever caused by the Lessee, Lessee's agents, servants, employees or contractors. The provisions of this paragraph shall survive the termination of this lease.
- 8. <u>Information to be Furnished to Lessor</u>. Lessee agrees to furnish Lessor, upon written request, copies of all title opinions covering the leased premises, copies of all filings made by Lessee with the Railroad Commission of Texas pertinent to drilling and completing wells, copies of all daily drilling reports, full information as to the production and runs concerning wells on the leased premises, and a copy of all gas contracts or any other agreements pursuant to which Lessee shall sell, use, transfer or dispose of any hydrocarbon substance or product extracted therefrom which was produced from the leased premises. Lessee shall within ten (10) days of the assignment of this lease or any part thereof notify Lessor of such assignment

and furnish Lessor a true copy of any assignment with the exception of any assignments made to officers, directors, and subsidiaries of Chesapeake. All notices to Lessee hereunder may be given to the Lessee named herein, notwithstanding the assignment of part or all of this lease.

- 9. Protection from Drainage. Lessee shall adequately and promptly protect the oil and gas in and under the leased premises from drainage by wells on adjoining or adjacent tracts or leases and shall drill such wells as may be necessary for effective protection against such drainage. Neither the rentals, royalties nor the shut-in gas well royalties paid or to be paid hereunder, nor any other provision of this lease, shall relieve Lessee of the obligation to reasonably develop the leased premises and to promptly and adequately protect the oil and gas in and under the leased premises from drainage by wells on adjoining lands or leases. Lessee agrees to notify Lessor of the need to sue an adjoining owner, lessee or operator for damages resulting from drainage or for damage to the common reservoir. If Lessee intends to make a claim or to file suit for such drainage or damage, Lessee will notify Lessor and will represent Lessor in such claim or cause of action without cost to Lessor unless Lessor notifies Lessee in writing to the contrary. If Lessee recovers damages as a result of such claim, either by settlement or judgment, Lessor shall be entitled to share in such recovery pro rata in accordance with Lessor's interest in production from the leased premises.
- 10. Partial Termination. At the expiration of the primary term, this lease shall terminate as to all depths and horizons below one hundred feet (100') below the deepest producing formation from which production of oil or gas in paying quantities is being maintained (or, in the case of a shut-in gas well, can be maintained). If all or a portion of the leased premises is included in a pooled unit with other lands, then for purposes of this section all the lands within the pooled unit shall be considered a part of the leased premises, and the size and configuration of the pooled unit must conform to the requirements of this section for a production unit. Upon termination of this lease as to any portion of the leased premises, Lessee shall deliver to Lessor a plat showing the acreage being released and an executed release of such acreage.
- 11. <u>Limitation on Pooling</u>. Lessee shall have no right to pool the leased premises with other lands for the production of oil or gas unless all of the leased premises are included within the unit thereby created.
- 12. <u>Outstanding Royalties</u>. If there are royalty interests in oil and gas in the leased premises now owned by parties other than Lessor, Lessor makes no warranty or representation that this lease grants Lessee the power or authority to pool such royalty interests, but in the event of pooling hereunder Lessor's royalty on production from the pooled unit shall be calculated and paid as if Lessee had the power, and had exercised the power, to pool such royalty interests, whether or not Lessee in fact has such authority.
- 13. <u>Shut-in Royalty</u>. This lease shall not be maintained solely by the payment of shut-in gas royalty for a period longer than two (2) consecutive years or four (4) years in the aggregate after the expiration of the primary term of this lease.

- 14. Operations. Notwithstanding paragraph 5 of the printed portion of this lease, the term "drilling or reworking operations" as used therein shall mean only the actual drilling, testing, completing, reworking, recompleting, deepening, plugging back or repairing of a well in search for or in an endeavor to obtain production of oil or gas, conducted in good faith and with due diligence; and drilling operations will not be considered as being conducted unless a rig capable of drilling to the prospective depth is actually in place and rotating under power.
- 15. Force Majeure. Should Lessee be prevented from complying with any express or implied covenant of this lease, from conducting drilling or reworking operations thereon or from producing any oil, gas or other minerals therefrom by reason of scarcity of or inability to obtain or to use equipment or material, or by operation of force majeure, and Federal or state law or any order, rule or regulation of governmental authority, then while so prevented, Lessee's obligation to comply with such covenant shall be suspended, and Lessee shall not be liable in damages for failure to comply therewith; and this lease shall be extended while and so long as Lessee is prevented by any such cause from conducting drilling or reworking operations on or from producing oil or gas from the lease premises; and the time while Lessee is so prevented shall not be counted against Lessee, anything in this lease to the contrary notwithstanding.
- Assignment. Prior to any assignment of this lease or any rights thereunder Lessee agrees to notify Lessor of the name and address of the proposed assignee(s) and to obtain Lessor's prior written consent, which consent shall not be unreasonably withheld or delayed, provided that assignments of working interests to officers, directors and subsidiaries of Chesapeake Exploration, L.L.C. may be made without such consent so long as the aggregate working interest in this lease conveyed by all such assignments does not exceed a ten percent (10%) working interest. Every such assignment or sublease which shall be made without the written consent of Lessor first had and obtained shall be void, and although made with the written consent of Lessor, any such assignment or sublease shall, nevertheless, be void unless it also contains a limitation in favor of Lessor requiring that the written consent of Lessor must be obtained prior to any further assignment or subletting of the rights of Lessee hereunder.
- 17. Release. Upon termination of this lease as to all or any part of the leased premises, Lessee agrees to deliver to Lessor, upon request, an executed and acknowledged release of the lands as to which this lease has terminated. If Lessee fails to deliver such release within thirty (30) days after Lessor's request therefor, and if it is necessary for Lessor to file suit to obtain a judicial determination that Lessor is entitled to such release, then Lessee shall be liable to Lessor for all consequential damages resulting from Lessee's failure to deliver such release, together with reasonable attorneys' fees incurred by Lessor in obtaining such release.
- 18. <u>Division Orders</u>. Neither the acceptance of royalties, delay rentals, shut-in royalties or other payments by Lessor (regardless of any notation thereon or instrument accompanying same), nor Lessor's execution of any division order or transfer order or similar instrument, shall ever constitute or be deemed to effect (a) a ratification, renewal or amendment of this lease or of any pooled unit designation filed by Lessee purporting to exercise the pooling rights granted to Lessee in this lease, or (b) a waiver of the rights granted to Lessor, or the

obligations imposed upon Lessee, express or implied, by the terms of this lease, or remedies for Lessee's breach thereof, or (c) an estoppel against Lessor preventing Lessor from enforcing Lessor's rights or Lessee's obligations hereunder, express or implied, or from seeking damages for Lessee's breach thereof. Lessor's agreement to accept royalties from any purchaser shall not affect Lessee's obligation to pay royalties pursuant to this Lease. No instrument executed by Lessor shall be effective to constitute a ratification, renewal, extension or amendment of this lease unless the instrument is clearly titled to indicate its purpose and intent. If Lessor agrees to accept payment of royalties from a purchaser of oil or gas produced from the leased premises, or from another party designated to distribute royalties other than Lessee, Lessor's acceptance of such payments shall not relieve Lessee of its obligation to pay royalty hereunder except to the extent of payments actually received by Lessor from such third party, and if such third party fails to pay any sums due as royalty under this lease, Lessee shall remain fully liable therefor, whether or not Lessee has received payment for production from such purchaser or third party.

Signed for Identification:

LESSOR:



DALE RESOURCES LLC 2100 ROSS AVE STE 1870 LB-9

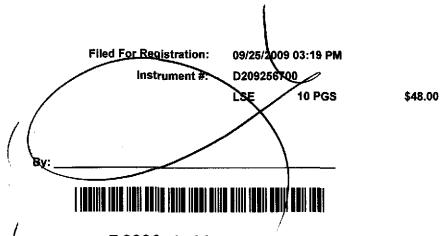
**DALLAS** 

TX 75201

Submitter: DALE RESOURCES LLC

SUZANNE HENDERSON TARRANT COUNTY CLERK TARRANT COUNTY COURTHOUSE 100 WEST WEATHERFORD FORT WORTH, TX 76196-0401

## <u>DO NOT DESTROY</u> WARNING - THIS IS PART OF THE OFFICIAL RECORD.



D209256700

ANY PROVISION WHICH RESTRICTS THE SALE, RENTAL OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.

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